

SUMMARY OF LAWS AND REGULATIONS ON BANK INDONESIA

Regulation : Bank Indonesia Regulation Number 12/17/PBI/2010
dated August 30, 2010 concerning Amendment to
Bank Indonesia Regulation Number 10/36/PBI/2008
concerning Sharia Monetary Operations.

Effective Date : August 30, 2010

Summary :

- I. The amendment to Bank Indonesia Regulation (PBI) is made in order to improve the effectiveness of monetary management implementation based on sharia principles as well as to improve the provisions concerning Sharia Monetary Operations (OMS) specifically Article 18 paragraph (1) letter (b) concerning imposition of sanctions for the cancelled transaction of sharia monetary operation.
- II. Bank Indonesia shall impose sanctions on OMS Participants for any cancelled OMS Transaction in the form of:
 1. a written reprimand; and
 2. a financial penalty of 0.01% (one per ten thousandth) of the nominal value of the cancelled OMS transaction, with the minimum amount of Rp10,000,000 (ten million rupiah) and the maximum amount of Rp100,000,000 (one hundred million rupiah).

In addition to the aforementioned sanctions, the OMS Participant making the cancelled OMS transaction three times during 6 (six) month-tenure is also subject to temporary suspension of its participation in OMS activities for 5 (five) consecutive business days.

III. This Bank Indonesia Regulation shall be effective on August 30, 2010.

DPM